

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE EASTERN DISTRICT OF VIRGINIA
Richmond Division**

In re: Circuit City Stores, Inc., et al., Debtors.	: : : : :	Chapter 11 Case No. 08-35653 (KRH)
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**RESPONSE OF SNELL ACOUSTICS, INC. TO DEBTORS'
FIFTY-SEVENTH OMNIBUS OBJECTION TO CLAIMS
(DISALLOWANCE OF CERTAIN ALLEGED ADMINISTRATIVE EXPENSES)**

COMES NOW Snell Acoustics, Inc., (“Snell Acoustics”), by the undersigned counsel, and for its response to *Debtors’ Fifty-Seventh Objection to Claims (Disallowance of Certain Alleged Administrative Expenses)* (“Objection”), and states as follows:

1. On or about January 30, 2009, Snell Acoustics filed an amended claim with Debtor’s claims agent, Kurtzman Carson Consultants, in the total amount of \$8,233.56. On information and belief, the amended claim has been assigned claim number 9227 (the “Claim”). The Claim asserted \$2,166.39 as entitled to administrative expense status, and \$6,067.17 as general unsecured. A copy of the Claim is attached hereto and incorporated in full by this reference as **Exhibit A**. The Debtor’s Objection seeks to disallow the Claim.
2. The administrative expense portion of the Claim is based upon goods sold and delivered to Debtor, in Debtor’s ordinary course of business, within forty-five (45) days of the

William A. Gray, Esquire – VSB #46911
C. Thomas Ebel, Esquire – VSB # 18637
Ashley Burges, Esquire – VSB # 67998
Sands, Anderson, Marks & Miller, P.C.
801 East Main Street, Suite 1800
(Post Office Box 1998)
Richmond, Virginia 23219 (23218-1998)
Phone: (804) 648-1636
Fax: (804) 783-7291
Counsel for Snell Acoustics Inc

commencement of Circuit City's bankruptcy case. See, 11 U.S.C. § 546(c). Additionally, it is based on the reclamation demand letter of November 10, 2008, from John Henderson, Director of Credit, D & M Holdings US, Inc.¹, to Bruce H. Besanko, Chief Financial Officer, Circuit City Stores, Inc. A copy of Mr. Henderson's letter is attached to the Claim.

3. The goods delivered to Debtor within forty-five (45) days of its bankruptcy petition were shipped, in general, pursuant to a letter agreement between Snell Acoustics, Inc. and the Debtor, dated August 2, 2006 ("Letter Agreement"). A copy of the Letter Agreement is attached hereto and incorporated in full by the reference as **Exhibit B**.

4. The person with knowledge of this claim is Mr. John Henderson, as identified above. A Declaration of John Henderson is attached hereto and incorporated in full by this reference as **Exhibit C**.

5. Snell Acoustics reserves its rights to supplement this Response in advance of any final hearing on the Objection.

6. Snell Acoustics originally filed this claim on or about December 19, 2008. On information and belief, the original claim was assigned claim number 1450. As stated above, Snell Acoustics subsequently amended the claim, and the amended claim has been assigned claim number 9227.

7. On or about June 22, 2009, the Debtor filed its Nineteenth Omnibus Objection to Claims (the "Nineteenth Objection"), seeking to reclassify claim number 1450 (the original claim filed by Snell Acoustics) to a general unsecured claim. Snell Acoustics filed its Response to the Nineteenth Objection, which objection remains pending. Then, on or about October 21, 2009, the Debtor filed its Fifty-Eighth Omnibus Objection (the "Fifty-Eighth Objection"). The Fifty-Eighth Objection includes claim number 9227 – the same claim subject to this Fifty-

¹ D & M Holdings is the parent company to Snell Acoustics, Inc.

Seventh Omnibus Objection². As such, there are now three (3) objections pending regarding this one claim. Snell Acoustics requests resolution of these objections at the same time.

WHEREFORE, Snell Acoustics respectfully requests the Court overrule the Objection, and allow Snell Acoustics' claim as filed, and grant such further relief as is just and proper under the circumstances.

Respectfully Submitted,
SNELL ACOUSTICS, INC.

By Counsel

/s/ William A. Gray
William A. Gray, Esquire – VSB #46911
C. Thomas Ebel, Esquire – VSB # 18637
Ashley Burgess, Esquire – VSB # 67998
Sands, Anderson, Marks & Miller, P.C.
801 East Main Street, Suite 1800
(P.O. Box 1998)
Richmond, Virginia 23219 (23218-1998)
Phone: (804) 648-1636
Fax: (804) 783-7291
Counsel for Snell Acoustics Inc.

CERTIFICATE OF SERVICE

I hereby certify that on this 15th day of November, 2009, a true and accurate copy of the foregoing was electronically filed with the Clerk of the Bankruptcy Court for the Eastern District of Virginia, Richmond Division, using the CM/ECF system, which thereby caused the above to be served electronically on all registered users of the ECF system that have filed notices of appearance in this matter, and was mailed on November 16, 2009, by U.S. Mail, first class, postage prepaid, to all persons on the attached Service List:

² Contemporaneously with the filing of this response to Debtor's Fifty-Seventh Omnibus Objection, Snell Acoustics is filing a response to Debtors' Fifty-Eighth Omnibus Objection.

SERVICE LIST

Daniel F. Blanks, Esquire
Douglas M. Foley, Esquire
McGuire Woods, LLP
9000 World Trade Center
101 W. Main Street
Norfolk, VA 23510
Counsel for Debtors

David W. Hayes, Esquire
James S. Sheerin, Esquire
Sarah Beckett Boehm, Esquire
McGuire Woods, LLP
One James Center
901 E. Cary Street
Richmond, VA 23219
Counsel for Debtors

Gregg M. Galardi, Esquire
Skadden Arps Slate Meagher & Flom, LLC
One Rodney Square
PO Box 636
Wilmington, Delaware 19899-0636
Counsel for Debtors

Chris L. Dickerson, Esquire
Skadden Arps Slate Meagher & Flom, LLC
333 West Wacker Drive
Chicago, IL 60606
Counsel for Debtors

Robert Van Arsdale, Esquire
Assistant U.S. Trustee
Office of the U.S. Trustee
701 East Broad Street, Suite 4304
Richmond, VA 23219
U.S. Trustee's Office

Linda K. Myers, Esquire
Kirkland & Ellis, LLP
200 East Randolph Drive
Chicago, Illinois 60601
Special Counsel for Debtors

David S. Berman, Esquire
Riemer & Braunstein, LLP
Three Center Plaza, 6th Floor
Boston, Massachusetts 02108
Counsel for Bank of America, N.A.

Bruce Matson, Esquire
LeClair Ryan
Riverfront Plaza, East Tower
951 East Byrd Street, 8th Floor
Richmond, Virginia 23219
Counsel for Bank of America, N.A.

Lynn L. Tavenner, Esquire
Tavenner & Beran, PLC
20 North Eighth Street, Second Floor
Richmond, Virginia 23219
Local Counsel for the Official Committee of Unsecured Creditors

Jeffrey N. Pomerantz, Esquire
Pachulski Stang Ziehl & Jones, LLP
10100 Santa Monica Boulevard, 11th Fl
Los Angeles, CA 90067
Counsel for the Official Committee of Unsecured Creditors

Robert J. Feinstein, Esquire
Pachulski Stang Ziehl & Jones, LLP
780 Third Avenue, 26th Floor
New York, NY 10017
Counsel for the Official Committee of Unsecured Creditors

/s/ William A. Gray